HOUSING NOW

Charlottetown CA

Canada Mortgage and Housing Corporation

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Single Starts Activity Remains Strong in Charlottetown City

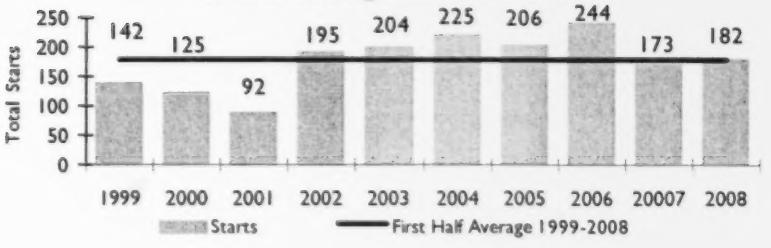
The Charlottetown housing market has been performing at an above average level for the last five years but recent indicators are that the market is beginning to slow. The most recent peak in the housing cycle, which now appears to have been in 2007, was fueled by historically low interest rates, strong employment growth, positive migration, relatively low home prices at the start of the cycle, and strong consumer confidence. However, with existing homes in the Charlottetown area now averaging $175,000, interest rates on the rise and waning consumer confidence, overall housing market activity is expected to be lower in 2008.

Total housing starts in PEI increased modestly to 241 units in the second quarter of 2008 up from 234 units

Figure 1

Charlottetown Starts Increased in the First Half

First Half Housing Starts 1999 - 2008



Source: CMHC

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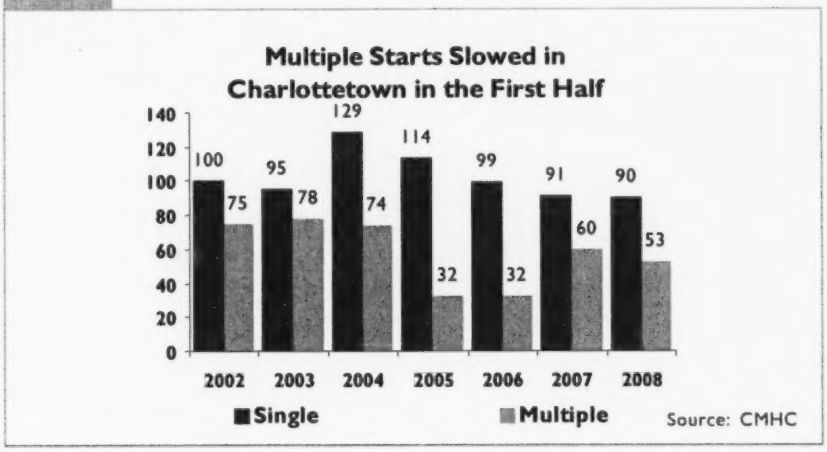
in 2007. This increase was the result of more single detached starts in both the Charlottetown and rural areas. Single starts reached 169 units in the second quarter, a slight increase when compared to the 158 units recorded last year. Multiple starts however posted a slight decline, with 72 units compared to 76 units in 2007. On a year-to-date basis, total starts reached 306 units, a moderate increase from the 296 units started in the first six months of 2007. The increase was the result of a modest rise single starts in the province this year.

Figure 2



After a strong beginning to the year starts in the Charlottetown area slowed slightly in the second quarter to 143 units, from 151 during the same period last year. Single starts at 90 units during this period are essentially unchanged from 2007 levels. Semi-detached starts recorded the largest decline in the second quarter, dropping to 20 units from 36 units in 2007. During the first half of 2008, total housing starts in the Charlottetown area advanced 5.2 per cent to 182 units. Single starts, due to a strong first quarter, posted an increase of three units from last year. Apartment starts also contributed to the increase in the first half with 34 units getting underway compared to 24 units last year.

In the first half of 2008, total starts in Charlottetown City proper, increased to 107 units from 86 units in 2007. This increase was the result of more single detached starts, which rose to 45 units from 36 units in the same period last year. Multiple starts also posted an increase during the same period rising to 62 units from 50 units last year, mainly on the strength of apartment starts. The Town of Stratford reported a decline in housing activity during the first half of 2008, with 38 units this year compared to 49 units in 2007. The main reason for the decline was decreased semi-detached activity from a year ago.

New Home Prices Continue to Rise

The cost of a new home in the Charlottetown area continued to rise in the first half of 2008. While some of these increases are due to rising land, labour and material costs, it does not fully explain the significant price increases seen since 2002. What has really been the driving force behind these increases are households choosing to build larger, more elaborate homes. For the entire capital region the average new home price grew by an impressive nine per cent in the first half with the average price topping $206,000. In Charlottetown City proper, the advance was less than the region as a whole, but still posted a near four per cent rise to $204,444. The increase in Stratford was even more pronounced at over 16 per cent, resulting in an average price of $223, 590.

Average MLS® Sale Price Reached a New Record High in the Second Quarter

The pace of existing homes sales in Charlottetown slowed in the second quarter when compared to the same period last year. The decline in MLS® sales was not unexpected when considering the volume of existing home sales in 2007. It now appears that the local market peaked in 2007 after showing fairly constant growth since 2001, in terms of both unit sales and average price. As well, some of the declines seen in the first half of 2008 can be attributed to the scarcity of quality listings in the under $150,000 price range.

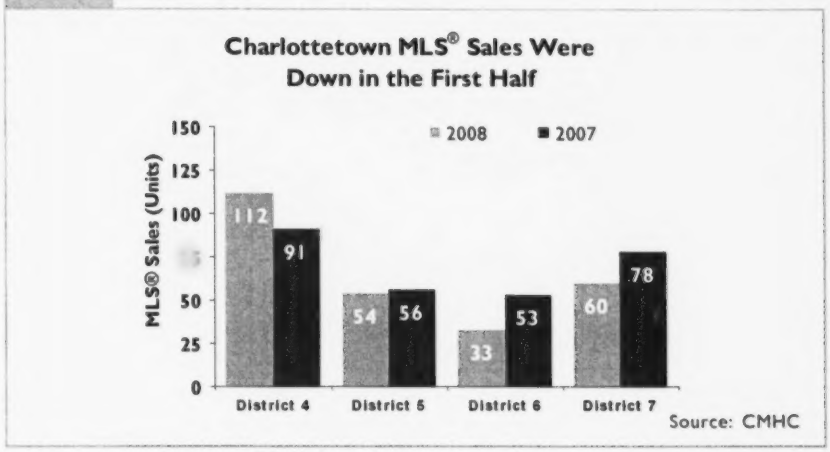
New listings rose sharply during the first half of 2008 after posting

declines throughout most of 2007. A contributing factor to the increased number of listings has been current homeowners listing their properties in an effort to realize profits from the recent appreciation in the price of their homes. The surge in listings has reduced the sense of urgency felt by consumers during the past few years. The end result has been an increase in days on market as well as a slower pace of price growth.

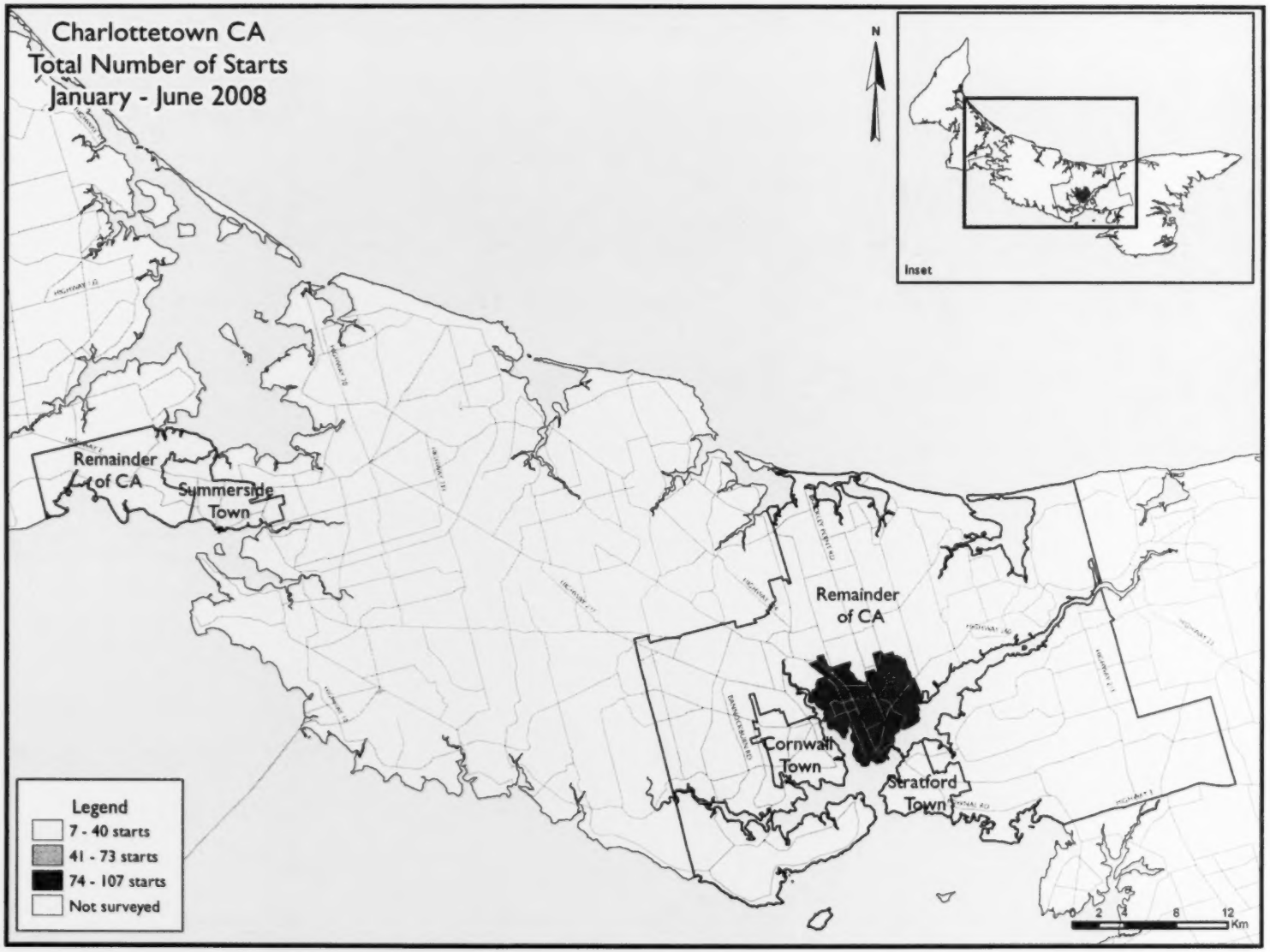
MLS® sales in the capital region recorded declines in all four of the submarkets during the second quarter of 2008. Districts 4 and 5 posted the smallest declines with sales slipping eight and three per cent, respectively. District 6, which is the Cornwall, North River and Winsloe area, posted the largest decline with sales decreasing from 40 units last year to 19 in the second quarter of 2008. It is important to note that the level recorded in 2007 was by far the highest level of sales posted in the second quarter, with the 2008 level considered a more typical volume. The Stratford area also posted a decline in the second quarter with sales falling by 20 units.

The average MLS® sale price decreased in all but one of the four districts during the second quarter. District 4, which is the downtown core, easily led the way for the Charlottetown area with an increase of over 26 per cent, resulting in the average sale price reaching $202,135. Price growth for the first six months of 2008, has been almost as impressive as the results from the second quarter. On a year-to-date basis the average price of a home in District 4 has risen by 20 percent to

Figure 3



$188,753. One reason for the substantial increase in the average sale price for the core area has been a surge in popularity in century homes.


Charlottetown CA
Total Number of Starts
January - June 2008
N
Inset
Remainder of CA
Summerside Town
Remainder of CA
Cornwall Town
Stratford Town
Legend
7 - 40 starts
41 - 73 starts
74 - 107 starts
Not surveyed
0 2 4 8 12 Km

HOUSING NOW REPORT TABLES

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2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
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4	Absorbed Single-Detached Units by Price Range
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3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA
Second Quarter 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q2 2008	90	20	12	0	0	0	0	21	143
Q2 2007	91	36	0	0	0	12	0	12	151
% Change	-1.1	-44.4	n/a	n/a	n/a	-100.0	n/a	75.0	-5.3
Year-to-date 2008	114	22	12	0	0	13	0	21	182
Year-to-date 2007	111	38	0	0	0	12	0	12	173
% Change	2.7	-42.1	n/a	n/a	n/a	8.3	n/a	75.0	5.2
UNDER CONSTRUCTION									
Q2 2008	94	20	12	0	0	13	0	21	160
Q2 2007	98	38	0	0	0	36	0	59	231
% Change	-4.1	-47.4	n/a	n/a	n/a	-63.9	n/a	-64.4	-30.7
COMPLETIONS									
Q2 2008	36	4	0	0	0	0	0	0	40
Q2 2007	36	6	0	0	0	0	0	18	60
% Change	0.0	-33.3	n/a	n/a	n/a	n/a	n/a	-100.0	-33.3
Year-to-date 2008	119	12	0	0	0	0	0	11	142
Year-to-date 2007	91	14	0	0	0	0	0	18	123
% Change	30.8	-14.3	n/a	n/a	n/a	n/a	n/a	-38.9	15.4
COMPLETED & NOT ABSORBED									
Q2 2008	1	0	0	0	0	0	0	17	18
Q2 2007	5	0	0	0	0	0	0	0	5
% Change	-80.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	**
ABSORBED									
Q2 2008	36	4	0	0	0	0	0	0	40
Q2 2007	32	8	0	0	0	0	0	18	58
% Change	12.5	-50.0	n/a	n/a	n/a	n/a	n/a	-100.0	-31.0
Year-to-date 2008	119	12	0	0	0	6	0	21	158
Year-to-date 2007	87	16	0	0	0	0	0	24	127
% Change	36.8	-25.0	n/a	n/a	n/a	n/a	n/a	-12.5	24.4

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA
Second Quarter 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q2 2008	14	8	0	0	0	0	5	0	27
Q2 2007	9	2	7	0	0	0	0	0	18
% Change	55.6	**	-100.0	n/a	n/a	n/a	n/a	n/a	50.0
Year-to-date 2008	16	8	0	0	0	0	5	0	29
Year-to-date 2007	11	4	13	0	0	0	0	0	28
% Change	45.5	100.0	-100.0	n/a	n/a	n/a	n/a	n/a	3.6
UNDER CONSTRUCTION									
Q2 2008	14	8	0	0	0	0	0	11	33
Q2 2007	10	2	22	0	0	0	0	0	34
% Change	40.0	**	-100.0	n/a	n/a	n/a	n/a	n/a	-2.9
COMPLETIONS									
Q2 2008	4	2	4	0	0	0	5	0	15
Q2 2007	4	2	0	0	0	0	0	0	6
% Change	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	150.0
Year-to-date 2008	12	12	12	0	0	0	5	0	41
Year-to-date 2007	12	2	0	0	0	0	0	0	14
% Change	0.0	**	n/a	n/a	n/a	n/a	n/a	n/a	192.9
COMPLETED & NOT ABSORBED									
Q2 2008	0	0	0	0	0	0	0	0	0
Q2 2007	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q2 2008	0	0	0	0	0	0	0	0	0
Q2 2007	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2008	0	0	0	0	0	0	0	0	0
Year-to-date 2007	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q2 2008	38	16	12	0	0	0	0	21	87
Q2 2007	25	24	0	0	0	12	0	12	73
Stratford Town									
Q2 2008	29	0	0	0	0	0	0	0	29
Q2 2007	35	10	0	0	0	0	0	0	45
Cornwall Town									
Q2 2008	11	4	0	0	0	0	0	0	15
Q2 2007	8	0	0	0	0	0	0	0	8
Remainder of the CA									
Q2 2008	12	0	0	0	0	0	0	0	12
Q2 2007	23	2	0	0	0	0	0	0	25
Charlottetown CA									
Q2 2008	90	20	12	0	0	0	0	21	143
Q2 2007	91	36	0	0	0	12	0	12	151
UNDER CONSTRUCTION									
Charlottetown City									
Q2 2008	39	16	12	0	0	13	0	21	101
Q2 2007	28	26	0	0	0	36	0	59	149
Stratford Town									
Q2 2008	33	0	0	0	0	0	0	0	33
Q2 2007	36	10	0	0	0	0	0	0	46
Cornwall Town									
Q2 2008	11	4	0	0	0	0	0	0	15
Q2 2007	10	0	0	0	0	0	0	0	10
Remainder of the CA									
Q2 2008	11	0	0	0	0	0	0	0	11
Q2 2007	24	2	0	0	0	0	0	0	26
Charlottetown CA									
Q2 2008	94	20	12	0	0	13	0	21	160
Q2 2007	98	38	0	0	0	36	0	59	231

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q2 2008	6	2	0	0	0	0	0	0	8
Q2 2007	14	4	0	0	0	0	0	0	18
Stratford Town									
Q2 2008	16	2	0	0	0	0	0	0	18
Q2 2007	8	0	0	0	0	0	0	18	26
Cornwall Town									
Q2 2008	4	0	0	0	0	0	0	0	4
Q2 2007	8	2	0	0	0	0	0	0	10
Remainder of the CA									
Q2 2008	10	0	0	0	0	0	0	0	10
Q2 2007	6	0	0	0	0	0	0	0	6
Charlottetown CA									
Q2 2008	36	4	0	0	0	0	0	0	40
Q2 2007	36	6	0	0	0	0	0	18	60
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q2 2008	1	0	0	0	0	0	0	17	18
Q2 2007	1	0	0	0	0	0	0	0	1
Stratford Town									
Q2 2008	0	0	0	0	0	0	0	0	0
Q2 2007	1	0	0	0	0	0	0	0	1
Cornwall Town									
Q2 2008	0	0	0	0	0	0	0	0	0
Q2 2007	3	0	0	0	0	0	0	0	3
Remainder of the CA									
Q2 2008	0	0	0	0	0	0	0	0	0
Q2 2007	0	0	0	0	0	0	0	0	0
Charlottetown CA									
Q2 2008	1	0	0	0	0	0	0	17	18
Q2 2007	5	0	0	0	0	0	0	0	5

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Second Quarter 2008

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q2 2008	6	2	0	0	0	0	0	0	8
Q2 2007	14	6	0	0	0	0	0	0	20
Stratford Town									
Q2 2008	16	2	0	0	0	0	0	0	18
Q2 2007	7	0	0	0	0	0	0	18	25
Cornwall Town									
Q2 2008	4	0	0	0	0	0	0	0	4
Q2 2007	5	2	0	0	0	0	0	0	7
Remainder of the CA									
Q2 2008	10	0	0	0	0	0	0	0	10
Q2 2007	6	0	0	0	0	0	0	0	6
Charlottetown CA									
Q2 2008	36	4	0	0	0	0	0	0	40
Q2 2007	32	8	0	0	0	0	0	18	58

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.2: History of Housing Starts of Charlottetown CA 1998 - 2007

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490
% Change	6.8	-3.6	**	n/a	n/a	n/a	35.3	-50.6	1.4
2003	310	56	6	0	0	0	34	77	483
% Change	11.9	115.4	n/a	n/a	n/a	n/a	-59.0	4.1	4.8
2002	277	26	0	0	0	0	83	74	461
% Change	16.9	8.3	n/a	n/a	n/a	n/a	**	**	57.3
2001	237	24	0	0	0	0	16	16	293
% Change	-9.9	**	n/a	n/a	n/a	n/a	-46.7	-11.1	-7.9
2000	263	6	0	0	0	0	30	18	318
% Change	15.9	50.0	n/a	n/a	n/a	n/a	-3.2	-69.0	-0.9
1999	227	4	0	0	0	0	31	58	321
% Change	47.4	-20.0	n/a	n/a	n/a	n/a	**	-25.6	30.0
1998	154	5	0	0	0	0	10	78	247

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type Second Quarter 2008											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	% Change
Charlottetown City	38	25	16	24	12	0	21	24	87	73	19.2
Stratford Town	29	35	0	10	0	0	0	0	29	45	-35.6
Cornwall Town	11	8	4	0	0	0	0	0	15	8	87.5
Remainder of the CA	12	23	0	2	0	0	0	0	12	25	-52.0
Charlottetown CA	90	91	20	36	12	0	21	24	143	151	-5.3

Table 2.1: Starts by Submarket and by Dwelling Type January - June 2008											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	% Change
Charlottetown City	45	36	16	26	12	0	34	24	107	86	24.4
Stratford Town	36	39	2	10	0	0	0	0	38	49	-22.4
Cornwall Town	14	10	4	0	0	0	0	0	18	10	80.0
Remainder of the CA	19	26	0	2	0	0	0	0	19	28	-32.1
Charlottetown CA	114	111	22	38	12	0	34	24	182	173	5.2

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type
Second Quarter 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	Q2 2008	Q2 2007	% Change
Charlottetown City	6	14	2	4	0	0	0	0	8	18	-55.6
Stratford Town	16	8	2	0	0	0	0	18	18	26	-30.8
Cornwall Town	4	8	0	2	0	0	0	0	4	10	-60.0
Remainder of the CA	10	6	0	0	0	0	0	0	10	6	66.7
Charlottetown CA	36	36	4	6	0	0	0	18	40	60	-33.3

Table 3.1: Completions by Submarket and by Dwelling Type
January - June 2008

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	YTD 2008	YTD 2007	% Change
Charlottetown City	27	33	8	8	0	0	11	0	46	41	12.2
Stratford Town	39	16	2	0	0	0	0	18	41	34	20.6
Cornwall Town	12	16	2	2	0	0	0	0	14	18	-22.2
Remainder of the CA	41	26	0	4	0	0	0	0	41	30	36.7
Charlottetown CA	119	91	12	14	0	0	11	18	142	123	15.4

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
Second Quarter 2008

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q2 2008	0	0.0	2	33.3	2	33.3	1	16.7	1	16.7	6	--	--
Q2 2007	0	0.0	0	0.0	9	64.3	2	14.3	3	21.4	14	175,000	202,143
Year-to-date 2008	0	0.0	7	25.9	9	33.3	4	14.8	7	25.9	27	185,000	204,444
Year-to-date 2007	0	0.0	4	12.5	19	59.4	3	9.4	6	18.8	32	180,000	196,875
Stratford Town													
Q2 2008	0	0.0	0	0.0	7	43.8	5	31.3	4	25.0	16	205,000	220,000
Q2 2007	0	0.0	0	0.0	3	42.9	4	57.1	0	0.0	7	--	--
Year-to-date 2008	0	0.0	1	2.6	13	33.3	13	33.3	12	30.8	39	210,000	223,590
Year-to-date 2007	0	0.0	3	18.8	6	37.5	5	31.3	2	12.5	16	190,000	192,188
Cornwall Town													
Q2 2008	0	0.0	0	0.0	3	75.0	0	0.0	1	25.0	4	--	--
Q2 2007	0	0.0	0	0.0	3	60.0	1	20.0	1	20.0	5	--	--
Year-to-date 2008	0	0.0	2	16.7	3	25.0	4	33.3	3	25.0	12	215,000	217,500
Year-to-date 2007	0	0.0	1	7.7	8	61.5	3	23.1	1	7.7	13	180,000	187,692
Remainder of the CA													
Q2 2008	1	10.0	1	10.0	4	40.0	2	20.0	2	20.0	10	192,500	199,500
Q2 2007	0	0.0	1	16.7	4	66.7	0	0.0	1	16.7	6	--	--
Year-to-date 2008	1	2.4	8	19.5	18	43.9	9	22.0	5	12.2	41	180,000	187,742
Year-to-date 2007	1	3.8	8	30.8	9	34.6	5	19.2	3	11.5	26	175,000	178,731
Charlottetown CA													
Q2 2008	1	2.8	3	8.3	16	44.4	8	22.2	8	22.2	36	195,000	205,000
Q2 2007	0	0.0	1	3.1	19	59.4	7	21.9	5	15.6	32	182,500	198,438
Year-to-date 2008	1	0.8	18	15.1	43	36.1	30	25.2	27	22.7	119	195,000	206,281
Year-to-date 2007	1	1.1	16	18.4	42	48.3	16	18.4	12	13.8	87	180,000	189,218

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Second Quarter 2008			Second Quarter 2007			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	128	175,042	345	174	172,590	286	-26.4%	1.4%	20.6%
District 4	49	202,135	140	53	160,673	112	-7.5%	25.8%	25.0%
District 5	28	141,488	73	29	142,581	51	-3.4%	-0.8%	43.1%
District 6	19	149,516	49	40	166,210	46	-52.5%	-10.0%	6.5%
District 7	32	178,072	83	52	206,380	77	-38.5%	-13.7%	7.8%
Summerside CA	43	118,150	144	65	127,940	95	-33.8%	-7.7%	51.6%
Total	171	160,736	358	239	160,447	358	-28.5%	0.2%	0.0%

Submarket	Year-to-date 2008			Year-to-date 2007			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	259	174,591	561	278	167,403	451	-6.8%	4.3%	24.4%
District 4	112	188,753	225	91	157,826	160	23.1%	19.6%	40.6%
District 5	54	142,526	120	56	142,182	86	-3.6%	0.2%	39.5%
District 6	33	133,108	81	53	160,823	74	-37.7%	-17.2%	9.5%
District 7	60	199,830	135	78	201,154	131	-23.1%	-0.7%	3.1%
Summerside CA	86	120,341	217	94	127,629	207	-8.5%	-5.7%	4.8%
Total	345	161,068	778	372	157,352	658	-7.3%	2.4%	18.2%

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**District 4: Charlottetown City, Spring Park & West Royalty
**District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks
**District 6: Cornwall, North River & Winsloe
**District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

Source: PEI Real Estate Association

Table 6: Economic Indicators
Second Quarter 2008

		Interest Rates			NHPI, Total, Charlottetown CMA 1997=100	CPI, 1992 =100	Prince Edward Island Labour Market			
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings ($) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2007	January	679	6.50	6.65	117.8	111.0	70.2	10.5	69.5	
	February	679	6.50	6.65	117.8	111.5	69.9	10.3	69.1	595
	March	669	6.40	6.49	117.7	112.8	69.9	10.4	69.1	595
	April	678	6.60	6.64	117.1	113.1	70.0	9.7	68.6	596
	May	709	6.85	7.14	117.8	113.6	69.0	10.2	68.0	596
	June	715	7.05	7.24	117.8	113.5	69.1	10.5	68.1	599
	July	715	7.05	7.24	117.8	113.4	68.8	10.5	67.7	591
	August	715	7.05	7.24	117.8	113.3	69.0	10.4	67.8	584
	September	712	7.05	7.19	118.1	113.7	69.2	10.6	68.2	581
	October	728	7.25	7.44	118.1	113.8	70.1	8.8	67.6	590
	November	725	7.20	7.39	119.1	114.0	68.2	11.4	67.7	600
	December	734	7.35	7.54	119.1	114.3	69.2	10.7	68.1	610
2008	January	725	7.35	7.39	120.6	113.8	70	10.6	68.9	613
	February	718	7.25	7.29	120.6	114.2	70.6	10.0	68.7	614
	March	712	7.15	7.19	119.3	115.3	71.0	10.4	69.5	613
	April	700	6.95	6.99	119.4	116.2	70.4	11.2	69.6	621
	May	679	6.15	6.65	119.4	118.3	71.0	9.6	68.8	629
	June	710	6.95	7.15		118.8	70.9	10.1	69.0	637
	July									
	August									
	September									
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $ 100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2006 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "start", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2006 Census area definitions, except the Economic Indicators data (Table 6) which is based on Statistics Canada's 2001 Census area definitions.

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